

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2198
ANSWERED ON:18.03.2002
VIABILITY OF AVIATION INDUSTRY
SURESH KURUP

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government have initiated any concrete steps to make the industry more viable; and
- (b) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) & (b):- The Ministry of Civil Aviation has taken a number of initiatives to give a fillip to the Civil Aviation sector. The important initiatives taken are-

- i) Modernisation of Airports through long-term leasing of airports at Delhi, Mumbai, Kolkata and Chennai; introduction of Satellite Based Communication and Navigation systems; installation/replacement with state-of-the-art Instrument Landing / Air Traffic Management Systems etc.;
- ii) Indian Airlines and Air India are in the process of acquiring more aircraft on lease basis to augment their existing fleet;
- iii) The existing Domestic Air Transport policy encourages more private participation in the Civil Aviation sector;
- iv) To make the Civil aviation sector more viable, the Government have declared Aviation Turbine Fuel (ATF) supplied to Turbo-Prop Aircraft as 'Declared Good' under Central Sales Tax Act to restrict the sales tax at 4%;
- v) Exemption of all routes within the seven states of North-east region from levy of Inland Air Travel Tax is also an important decision of the Government to help operation in this region;